



# Illinois Department of Insurance

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## 2007 Life & Annuity Market Conduct Annual Statement

Stateside averages are calculated for up to seven categories depending on the type of insurance reported in the Life & Annuity Market Conduct Annual Statement (L&A MCAS). In Illinois, for the 2007 L&A MCAS, licensed companies with at least \$50,000 in life insurance premium and/or annuity considerations were required to participate. A total of 355 companies participated.

The following charts reflect the number of reporting insurance companies whose ratios fall within various ranges. These charts are for informational purposes only, and the ratios do not necessarily represent standards for market behavior. This information does not establish insurer compliance or non-compliance. This data cannot be used in any form of company advertising or marketing.

### Schedule 1: Individual Life Cash Value Products

Ratio	Statewide Average Ratio
Ratio 1: The number of replacements issued compared to the number of policies issued	6.95%
Ratio 2: The number of 1035 exchanges to the number of policies issued	4.0%
Ratio 3: The number of surrenders compared to the number of policies issued	55.1%
Ratio 4: The number of policies with loan balances exceeding 25% compared to the number of policies in force	8.3%
Ratio 5: The number of claims paid beyond 60 days from the date of due proof of loss compared to the number of claims paid	.4%
Ratio 6: The number of claims denied, resisted or compromised compared to the number of claims closed	.11%
Ratio 7: Number of complaints per 1,000 policies in force	0.31#

Number of companies with ratios falling in the range:												
	0%	>0 to 10%	>10% to 20%	>20% to 30%	>30% to 40%	>40% to 50%	>50% to 60%	>60% to 70%	>70% to 80%	>80% to 90%	>90% to 100%	>100%
Ratio 1	181	78	27	17	10	7	2	3	1	0	1	3
Ratio 2	208	64	21	13	9	4	2	3	0	0	0	6
Ratio 3	41	22	25	19	10	12	19	5	4	5	3	165
Ratio 4	69	204	45	5	2	0	1	0	0	0	1	3
Ratio 5	233	73	12	3	5	2	1	0	0	0	1	0
Ratio 6	260	53	10	4	1	1	0	0	0	0	1	0
Number of complaints per 1,000 policies in force												
	0	>0 to 0.25	>0.25 to 0.5	>0.5 to 0.75	>0.75 to 1	>1 to 2	>2 to 3	>3 to 4	>4 to 5	>5 to 6	>6 to 7	>7
Ratio 7	159	49	42	24	13	24	4	3	2	2	0	8

## Schedule 2: Individual Life Non-Cash Value Products

Ratio	Statewide Average Ratio
Ratio 1: The number of replacements issued compared to the number of policies issued	11.94%
Ratio 2: The number of claims paid beyond 60 days from the date of due proof of loss compared to the number of claims paid	2.8%
Ratio 3: The number of claims denied, resisted or compromised compared to the number of claims closed	3.6%
Ratio 4: Number of complaints per 1,000 policies in force	0.22#

Number of companies with ratios falling in the range:												
	0%	>0 to 10%	>10% to 20%	>20% to 30%	>30% to 40%	>40% to 50%	>50% to 60%	>60% to 70%	>70% to 80%	>80% to 90%	>90% to 100%	>100 %
Ratio 1	181	50	27	17	8	3	0	0	0	0	0	3
Ratio 2	247	20	10	3	3	1	0	0	1	0	4	0
Ratio 3	253	18	11	0	2	3	0	2	0	0	0	0
Number of complaints per 1,000 policies in force												
	0	>0 to 0.25	>0.25 to 0.5	>0.5 to 0.75	>0.75 to 1	>1 to 2	>2 to 3	>3 to 4	>4 to 5	>5 to 6	>6 to 7	>7
Ratio 4	211	17	19	10	4	15	3	0	2	3	0	5

## Schedule 3: Group Life Products

Ratio	Statewide Average Ratio
Ratio 1: The number of claims paid beyond 60 days from the date of due proof of loss compared to the number of claims paid	2.4%
Ratio 2: The number of claims denied, resisted or compromised compared to the number of claims closed	2.6%
Ratio 3: Number of complaints per 1,000 policies in force	0.62#

Number of companies with ratios falling in the range:												
	0%	>0 to 10%	>10% to 20%	>20% to 30%	>30% to 40%	>40% to 50%	>50% to 60%	>60% to 70%	>70% to 80%	>80% to 90%	>90% to 100%	>100 %
Ratio 1	180	30	8	0	3	1	0	0	0	0	0	1
Ratio 2	183	31	5	0	1	1	1	0	0	0	1	0
Number of complaints per 1,000 policies in force												
	0	>0 to 0.25	>0.25 to 0.5	>0.5 to 0.75	>0.75 to 1	>1 to 2	>2 to 3	>3 to 4	>4 to 5	>5 to 6	>6 to 7	>7
Ratio 3	176	6	1	3	2	3	5	0	0	0	0	27

## Schedule 4: Individual Fixed Annuities

Ratio	Statewide Average Ratio
Ratio 1: The number of replacements issued compared to the number of policies issued	41.9%
Ratio 2: The number of 1035 exchanges to the number of policies issued	27.6%
Ratio 3: The number of surrenders compared to the number of policies issued	137.0%
Ratio 4: Number of complaints per 1,000 policies in force	.75#

Number of companies with ratios falling in the range:												
	0%	>0 to 10%	>10% to 20%	>20% to 30%	>30% to 40%	>40% to 50%	>50% to 60%	>60% to 70%	>70% to 80%	>80% to 90%	>90% to 100%	>100 %
Ratio 1	169	9	8	10	17	20	11	11	9	3	2	3
Ratio 2	162	20	21	17	17	12	7	4	0	2	0	10
Ratio 3	64	6	4	3	8	6	6	2	5	6	5	157
Number of complaints per 1,000 policies in force												
	0	>0 to 0.25	>0.25 to 0.5	>0.5 to 0.75	>0.75 to 1	>1 to 2	>2 to 3	>3 to 4	>4 to 5	>5 to 6	>6 to 7	>7
Ratio 4	204	9	16	6	7	15	5	2	2	0	1	5

## Schedule 5: Individual Variable Annuities

Ratio	Statewide Average Ratio
Ratio 1: The number of replacements issued compared to the number of policies issued	34.9%
Ratio 2: The number of 1035 exchanges to the number of policies issued	19.1%
Ratio 3: The number of surrenders compared to the number of policies issued	82.8%
Ratio 4: Number of complaints per 1,000 policies in force	.43#

Number of companies with ratios falling in the range:												
	0%	>0 to 10%	>10% to 20%	>20% to 30%	>30% to 40%	>40% to 50%	>50% to 60%	>60% to 70%	>70% to 80%	>80% to 90%	>90% to 100%	>100 %
Ratio 1	62	3	5	6	11	12	6	3	3	3	2	0
Ratio 2	58	117	13	9	9	4	3	2	1	2	0	4
Ratio 3	15	2	0	3	9	3	3	2	4	5	0	70
Number of complaints per 1,000 policies in force												
	0	>0 to 0.25	>0.25 to 0.5	>0.5 to 0.75	>0.75 to 1	>1 to 2	>2 to 3	>3 to 4	>4 to 5	>5 to 6	>6 to 7	>7
Ratio 4	65	13	17	4	4	7	3	1	0	0	0	2